

# Appendix C: Oil and Gas Lease Stipulations (Current Management)

---

## Introduction

This Appendix discusses the fluid minerals leasing decisions, stipulations, exceptions, waivers, and modifications proposed as part of the planning for the Kremmling Field Office (KFO). This Appendix covers the existing oil and gas lease stipulations applicable under the current management situation (as described under Alternative A, the No Action Alternative) related to public lands managed by the Bureau of Land Management (BLM) in the Planning Area.

## Fluid Minerals Leasing -- BLM Process and Procedure

### Overview

The FLPMA established the land management authority of the BLM and provided guidance for how public lands are to be managed by the BLM. In accordance with the FLPMA, the BLM is required to manage public lands on the basis of multiple use and sustained yield (Section 202(c)(1)). Multiple use is to be considered in the context of the best combination of land uses that meet the present and future needs of the nation with respect to “recreation, range, timber, minerals, watershed, wildlife and fish, and natural, scenic, scientific, and historical values.”

The Mineral Leasing Act of 1920, the Mineral Leasing Act for Acquired Lands of 1947, and the Federal Onshore Oil and Gas Leasing Reform Act of 1987, give the BLM responsibility for oil and gas leasing on approximately 570 million acres of BLM, USFS, and other Federal lands, as well as on private lands where mineral rights have been retained by the Federal government (“split-estate” lands).

Under the FLPMA, resource values, including fluid minerals, on BLM-administered lands are to be managed in a “harmonious and coordinated” manner that does not lead to “permanent impairment of the productivity of the land and the quality of the environment.” The BLM is required to protect the quality of scientific, scenic, historical, ecological, environmental, air and atmospheric, water resource, and archaeological values for present and future generations.

## Types of Fluid Minerals Leases

The BLM issues two types of leases for oil and gas exploration and development on lands owned or controlled by the Federal Government: competitive and non-competitive. After Congress passed the Federal Onshore Oil and Gas Leasing Reform Act of 1987, all public lands available for oil and gas leasing were offered first through a competitive leasing process. Non-competitive oil and gas leases are only issued after the lands have been offered competitively at an oral auction and have not received a bid.

- **Competitive Leasing Process --** When parcels are available, the BLM conducts oral auctions of oil and gas leases on a quarterly basis. A Notice of Competitive Lease Sale (Sale Notice), which lists lease parcels to be offered at the auction, is published by each BLM State Office at least 45 days before the auction is held. Lease stipulations applicable to each parcel are specified in the Sale Notice. (See Fluid Minerals Leasing -- Stipulations below.) Lands included in the auction process come from the following sources:
  - lands identified by informal expressions of interest from the public;
  - lands identified by the BLM for management reasons; or
  - lands included in offers filed for non-competitive leases.
- **Non-Competitive Leasing Process --** Non-competitive leases are only issued for parcels that have been offered competitively but have failed to receive a bid. These lands are available for non-competitive leasing for a period of two years following a competitive sale. Lands in expired, terminated, relinquished, or cancelled leases are not available for non-competitive leasing until they have been offered competitively, and have failed to receive a bid. A non-competitive pre-sale offer may be filed on such lands only if the prior lease expired (or was terminated, relinquished or cancelled) at least one year before the pre-sale offer was submitted to the BLM State Office.

The BLM cannot place for sale lands already under lease, or lands where mineral ownership is not federally owned. Additional lands unavailable for leasing include, but are not limited to, the following:

- lands within city limits;
- lands withdrawn from mineral leasing;
- lands designated as Wilderness or Wilderness Study Areas (WSAs);
- lands within a Native American Indian Reservation;
- lands with mineral entry applications;
- lands in patented mining claims; and/or
- lands posted in a Notice of Competitive Lease Sale.

A lease grants the lessee the right to explore and drill for (and extract, remove, and dispose of) oil and gas deposits (except helium) that may be found in the leased lands.

Subject to special restrictions or “stipulations,” the leases are granted on the condition that the lessee will have to obtain BLM approval before conducting any surface-disturbing activities. The oil and gas lease conveys the right to develop those resources on the leased land. The lessee(s) or operator(s) may not build a house on the land, cultivate the land, or remove any minerals other than oil and gas from the leased land.

## **Land Use Planning for Fluid Minerals Leasing -- The Planning Process**

In order to help ensure proper land management that meets the goals of multiple use and sustained yield, the FLPMA requires the development, maintenance, and revision of land use plans for public lands. The land use planning process is the key tool used by the BLM to protect resources and designate uses on BLM-administered lands. Resource Management Plans (RMPs) help ensure that the public lands are managed in a manner that recognizes the Nation’s need for domestic sources of minerals, food, timber, and fiber in a manner that protects the quality of scientific, scenic, historical, ecological, environmental, air and atmospheric, water, and archaeological values for present and future generations.

With regard to oil and gas leasing (Section 302(b) (43 USC 1732(b) and 603(c)), the FLPMA requires that RMPs address: 1) the identification of areas available for oil and gas development; and 2) specify related management directions (including, if applicable, stipulations, exceptions, waivers, and modifications) by alternative.

## **Oil and Gas Leasing in the Planning Area**

This Appendix displays the oil and gas leasing stipulations and the lease notices available under current management for use on BLM-managed federal mineral estate in the Planning Area. In addition, areas closed to leasing under Alternative A (the No Action Alternative) are listed. Depending upon the characteristics of an expression of interest for leasing, any of these stipulations and lease notices could be applied to constrain the nominated lease for the protection of resources, or for the management of the lease. The stipulations displayed in Table C-1 are specific to the Kremmling Field Office (KFO). The remainder of the stipulations and lease notices in Tables C-2 through C-6 are available for use Statewide.

## Fluid Minerals Leasing -- Stipulations

BLM-managed public lands are available for oil and gas leasing only after they have been evaluated through the BLM's planning process. In areas where development of oil and gas will be allowed, and will conflict with the protection or management of other resources or public land uses, mitigating measures are identified and may appear on leases as either stipulations to uses or as restrictions on surface occupancy.

Stipulations are conditions, promises, or demands that are to be made part of a lease when the environmental and planning record demonstrates the necessity for the stipulations. Stipulations, as such, are neither "standard" nor "special." They are a necessary modification of the terms of the lease. In order to accommodate the variety of resources encountered on BLM-administered lands, these stipulations are categorized as to how the stipulation modifies the lease rights, not by the resource(s) to be protected (Rocky Mountain Regional Coordinating Committee 1989). In this Appendix, the stipulations are arrayed first by their categories, then within the categories by the resource(s) they protect. The specifics as to what, why, and how this mitigation/protection is to be accomplished is determined by the land management agency through the development of the RMP and through the NEPA analysis.

If upon weighing the relative resource values, uses, or users during the development of the RMP, it is determined that conflict with oil and gas operations exist that cannot be adequately managed under the BLM Standard Lease Terms (SLTs), a lease stipulation is deemed necessary. Documentation of the necessity for a stipulation is disclosed in planning documents, such as in this one, or through site-specific analysis. RMPs, or NEPA documents, establish the guidelines by which future waivers, exceptions, or modifications may be granted (see definitions below).

Stipulations may be necessary if the authority to control the activity on the lease does not already exist under laws, regulations, or orders. The Authorized Officer has the authority to modify the site location and design of facilities, control the rate of development and timing of activities, and require additional mitigation under Sections 6 of the SLTs (BLM Form 3100-11) and 43 CFR 3101.1-2.

- A lease stipulation, developed during the land planning process, is a condition of lease issuance designed to provide a level of protection for other resource values or land uses. This is achieved by restricting lease operations (such as during certain times of the year or by locations) to avoid unacceptable impacts to a greater extent than provided by standard lease terms or regulations. A stipulation is an enforceable term of the lease contract. It supersedes any inconsistent provisions of the standard lease form. A lease stipulation is attached to, and made a part of, the lease. Lease stipulations further implement the BLM's regulatory authority to protect resources or resource values.
- Stipulation standards are the physical and temporal conditions, resources, or resource values that must be present, and met, for application of a specific stipulation to a specific lease.

- **No Leasing** -- Areas identified as closed are not open to oil and gas leasing. Exceptions, modifications, and waivers do not apply to closed areas.
- **No Surface Occupancy** -- Use or occupancy of the land surface for fluid mineral exploration or development is prohibited in order to protect identified resource values. The NSO is a major constraint, requiring horizontal or directional drilling from outside the boundaries of the NSO area to reach oil and gas resources.
- **Controlled Surface Use** -- CSU is a category of moderate constraint stipulations that allows some use and occupancy of the surface while, at the same time, protecting identified resources or values. A CSU stipulation will allow the BLM to require special operational constraints, including special design or the relocation of a proposed oil and gas development.
- **Timing Limitations** -- Areas as affected by a TL, a moderate constraint, are closed to oil and gas exploration and development during identified timeframes. This stipulation will not apply to operation and maintenance activities, including associated vehicle travel, unless otherwise specified.
- **Lease Notice** -- A LN provides more detailed information concerning limitations already provided by law, lease terms, regulations, or operational orders. A LN also addresses special items that lessees should consider when planning operations; however, it does not impose additional restrictions. LNs apply only to leasable minerals (oil, gas, geothermal resources) and not to other types of leases such as livestock grazing.

## Fluid Minerals Leasing -- Exceptions, Modifications, and Waivers

Fluid minerals lease stipulations and related exceptions, waivers, and modifications are developed during the land use planning process. Exceptions, waivers, and modifications provide an effective means of applying “Adaptive Management” techniques in order to meet changing circumstances. The criteria for approval of exceptions, waivers, and modifications must be supported by the NEPA analysis, either through the land use planning process or through site-specific environmental review. (Regulations covering exceptions, modifications, and waivers are found in 43 CFR 3101.1-4; BLM IM No. 2008-032, dated November 19, 2007.)

An exception, waiver, or modification may not be approved unless 1) the Authorized Officer determines that the factors leading to its inclusion in the lease have changed sufficiently to make the protection provided by the stipulation no longer justified; **or** 2) the proposed operations will not cause unacceptable impacts. These determinations must be fully supported by an appropriate level of environmental review, and must be made on a case-by-case basis based on the following questions:

- Will the BLM remain in compliance with all applicable laws, regulations, rules, policies, standards, and guidelines?
- Is the proposal in conformance with the objectives of the RMP?

- What will be the level of harm (impacts) to the protected resource, both locally and regionally?
- What will be the economic or public safety concerns if an active operation near completion was shut down in order to comply with a seasonal closure?
- Are the impacts temporary, rather than long term?
- Is the resource being protected rare, or is it relatively common? Is it a Special Status Species?
- Based upon existing knowledge of a species and of its use of an area, will impacts be confined to single or to a small number of individuals, or will there be impacts on local or regional populations? Will such impacts be allowed under existing law and policy?
- Is off-site mitigation an appropriate option? (For example, where individual or cumulative impacts cannot be effectively mitigated on site.)
- Can the impacts be reduced to an acceptable level through intensive use of environmental Best Management Practices (BMPs)?

**Exceptions --** A one-time exemption from a stipulation for a particular site within the leasehold. Exceptions are determined on a case-by-case basis and, if granted, suspend the restrictions of a stipulation for a specified period, location, or activity. The stipulation continues to apply to other sites within the stipulation area.

**Modifications --** A modification is a fundamental change to the provisions of a lease stipulation. Modifications may be temporary, or they may be for the term of the lease. Depending upon the specific modification, the stipulation may, or may not, apply to all sites within the leasehold to which the restrictive criteria are applied. Modifications are made if it is determined that the stipulation is no longer required as written (for example, when it is based upon the results of monitoring data).

**Waivers --** Waivers are permanent exemptions to a stipulation. Under a waiver, the stipulation no longer applies anywhere within the leasehold. Waivers apply to an entire stipulation area. They are applied only after preparation of an environmental analysis document, in accordance with the NEPA, and after a subsequent decision has been made that a stipulation is no longer required to protect a specific resource.

**Table C-1: Areas Closed to Oil and Gas Leasing (Current Management)**

<b>Wilderness Study Areas</b>
Troublesome WSA
Platte River Contiguous WSA
North Sand Hills Instant Study Area
<b>Other Lands</b>
Lands within municipal boundaries

**Table C-2: Kremmling No Surface Occupancy Stipulations Applicable to Oil and Gas Leasing (Current Management)**

Type	Stipulation Number/Protected Resource	Stipulation Description
<b>Paleontology</b>		
NSO	KR -01 Kremmling Cretaceous Ammonite ACEC	<b>STIPULATION</b> -- No surface occupancy or use is allowed on public lands within the Kremmling Cretaceous Ammonite ACEC. <b>PURPOSE</b> -- To protect ammonite fossils in the Kremmling ammonite site.
<b>Endangered Plants</b>		
NSO	KR-02 North Park Phacelia ACEC	<b>STIPULATION</b> -- No surface occupancy or use is allowed on public lands within the North Park Phacelia ACEC. <b>PURPOSE</b> -- To protect Endangered Species (plant) habitat within the North Park Phacelia ACEC.
<b>Cultural Resources</b>		
NSO	KR-03 Windy Gap Cultural Resource Natural Area (RNA)	<b>STIPULATION</b> -- No surface occupancy or use is allowed on public lands within the Windy Gap Cultural RNA. <b>PURPOSE</b> -- To protect archaeological sites within the Windy Gap Cultural RNA.
<b>Recreation and Scenic Values</b>		
NSO	KR-04 Upper Colorado River Special Recreation Management Area	<b>STIPULATION</b> -- No surface occupancy or use is allowed on public lands within the Upper Colorado River SRMA. <b>PURPOSE</b> -- To protect recreational and scenic values within the Upper Colorado River SRMA.



**Table C-2: Kremmling No Surface Occupancy Stipulations Applicable to Oil and Gas Leasing (Current Management)**

Type	Stipulation Number/Protected Resource	Stipulation Description
	(SRMA)	
NSO	KR-05 North Sand Hills SRMA	<b>STIPULATION</b> -- No surface occupancy or use is allowed on public lands within the North Sand Hills SRMA. <b>PURPOSE</b> -- To protect recreational values within the North Sand Hills SRMA.

**Table C-3: BLM-Colorado No Surface Occupancy Stipulations Applicable to Oil and Gas Leasing (Current Management)**

Type	Stipulation Number/Protected Resource	Stipulation Description
<b>Coal</b>		
NSO	CO-01 Existing Coal Mine Operations	<b>STIPULATION</b> -- No surface occupancy or use is allowed on public lands associated with existing coal mine operations. <b>PURPOSE</b> -- To protect surface and longwall coal mines where oil and gas development is incompatible with planned coal extraction. <b>EXCEPTION</b> -- This stipulation may be waived if the lessee agrees that any well approved for drilling will be plugged below the coal when the crest of the highwall or longwall approaches within 500 feet of the well. A suspension of operations and production will be considered for the lease only when a well is drilled and then plugged, and a new well or re-entry is planned when the mine moves through the location.
<b>Wildlife</b>		
NSO	CO-02 Grouse Leks	<b>STIPULATION</b> -- No surface occupancy or use is allowed on public lands associated with Grouse leks. <b>PURPOSE</b> -- To protect grouse dancing grounds (including sage- and mountain sharp-tailed grouse and Lesser and Greater prairie chickens) within a one-quarter mile radius from the site. <b>EXCEPTION</b> -- An exception may be granted, depending upon current usage or on the geographical relationship to



**Table C-3: BLM-Colorado No Surface Occupancy Stipulations Applicable to Oil and Gas Leasing (Current Management)**

Type	Stipulation Number/Protected Resource	Stipulation Description
		topographic barriers and vegetation screening.
NSO	CO-03 Raptor Nests	<p><b>STIPULATION</b> -- No surface occupancy or use is allowed on public lands associated with raptor nests.</p> <p><b>PURPOSE</b> -- To protect raptor nests within a one-eighth mile radius from the site.</p> <p><b>EXCEPTION</b> -- An exception may be granted, depending upon current usage or on the geographical relationship to topographic barriers and vegetation screening.</p>
NSO	CO-04 Bald Eagle Roosts or Nests	<p><b>STIPULATION</b> -- No surface occupancy or use is allowed on public lands associated with bald eagle roosts or nests.</p> <p><b>PURPOSE</b> -- To protect bald eagle roosts and nests within a one-quarter mile radius from the site.</p> <p><b>EXCEPTION</b> -- An exception may be granted, depending upon current usage or the geographical relationship to the topographic barriers and vegetation screening.</p>
NSO	CO-05 Peregrine Falcon Cliff Nesting Complexes	<p><b>STIPULATION</b> -- No surface occupancy or use is allowed on public lands associated with peregrine falcon cliff nesting complexes.</p> <p><b>PURPOSE</b> -- To protect peregrine falcon nesting within a one-quarter mile radius from the complex.</p>
NSO	CO-06 Mexican Spotted Owl Roosts and Nests	<p><b>STIPULATION</b> -- No surface occupancy or use is allowed on public lands associated with Mexican spotted owl roosts and nests.</p> <p><b>PURPOSE</b> -- To protect Mexican spotted owl roosts and nests within a one-quarter mile radius from the site.</p>
NSO	CO-07 Waterfowl and Shorebird Habitat and Rookeries	<p><b>STIPULATION</b> -- No surface occupancy or use is allowed on public lands associated with waterfowl and shorebird habitat and rookeries.</p> <p><b>PURPOSE</b> -- To protect waterfowl and shorebird habitat and rookeries within significant production areas.</p>
<b>Plants</b>		
NSO	CO-08 Special Status Plant Species	<p><b>STIPULATION</b> -- No surface occupancy or use is allowed on public lands associated with Special Status plant species.</p> <p><b>PURPOSE</b> -- To protect Special Status plant species (including federally Listed Species, Proposed Species, and</p>

**Table C-3: BLM-Colorado No Surface Occupancy Stipulations Applicable to Oil and Gas Leasing (Current Management)**

Type	Stipulation Number/Protected Resource	Stipulation Description
		Candidate Species) in habitat areas.

**Table C-4: BLM-Colorado Controlled Surface Use Stipulations Applicable to Oil and Gas Leasing (Current Management)**

Type	Stipulation Number/Protected Resource	Stipulation Description
<b>Coal</b>		
CSU	CO-25 Surface or Underground Coal Mines	<p><b>STIPULATION</b> -- Surface Occupancy or use is subject to the following special operating constraints:</p> <ul style="list-style-type: none"> <li>operations proposed within the area of an approved surface or underground coal mine will be relocated outside the area to be mined or to accommodate room-and-pillar mining operations.</li> </ul> <p><b>PURPOSE</b> -- To protect surface or underground coal mines.</p> <p><b>EXCEPTION</b> -- This stipulation may be waived without an RMP Amendment if the lessee agrees that the drilling of a well will be subject to the following conditions: 1)(a) well must be plugged when the mine approaches within 500 feet of the well and re-entered or re-drilled upon completion of the mining operation; (b) well must be plugged in accordance with Mine Safety and Health Administration (formerly Mine Enforcement and Safety Administration) Informational Report 1052; (c) Operator will provide accurate location of where the casing intercepts the coal by providing a directional and deviation survey of the well to the coal operator; or 2) relocate well into a permanent pillar or outside the area to be mined. A suspension of operations and production will be considered when the well is plugged, and a new well is to be drilled after mining operations move through the location.</p>
<b>Soils</b>		
CSU	CO-26 Fragile Soils	<p><b>STIPULATION</b> -- Surface occupancy or use is subject to the special operating constraints, on the lands described below:</p> <ul style="list-style-type: none"> <li>Performance Objectives: <ol style="list-style-type: none"> <li>maintain the soil productivity of the site;</li> <li>protect off-site areas by preventing accelerated soil</li> </ol> </li> </ul>

**Table C-4: BLM-Colorado Controlled Surface Use Stipulations Applicable to Oil and Gas Leasing (Current Management)**

Type	Stipulation Number/Protected Resource	Stipulation Description
		<p>erosion (such as land-sliding, gullyng, drilling, piping, etc.) from occurring;</p> <ol style="list-style-type: none"> <li>3. protect water quality and quantity of adjacent surface and groundwater sources; and</li> <li>4. select the best possible site for development in order to prevent impacts to the soil and water resources.</li> </ol> <p>Fragile soil areas in which the performance objective will be enforced, are defined as follows:</p> <ol style="list-style-type: none"> <li>1. areas rated as highly or severely erodible by wind or water, as described by the Soil Conservation Service in the Area Soil Survey Report. or as described by on-site inspection;</li> <li>2. areas with slopes greater than, or equal to, 35 percent, if they also have one of the following soil characteristics: <ol style="list-style-type: none"> <li>a) a surface texture that is sand, loamy sand, very fine sandy loam, fine sandy loam, silty clay or clay;</li> <li>b) a depth to bedrock that is less than 20 inches;</li> <li>c) an erosion condition that is rated as poor; or</li> <li>d) a K factor of greater than 0.32.</li> </ol> </li> </ol> <p>Performance Standards:</p> <ol style="list-style-type: none"> <li>1. all sediments generated from the surface-disturbing activity will be retained on site;</li> <li>2. vehicle use would be limited to existing roads and trails;</li> <li>3. all new permanent roads would be built to meet primary road standards (BLM standards), and their location would be approved by the Authorized Officer (for oil and gas purposes, permanent roads are those used for production);</li> <li>4. all geophysical and geochemical exploration would be conducted by helicopter, horseback, on foot, or from existing roads;</li> <li>5. any sediment-control structures, reserve pits, or disposal pits would be designed to contain a 100-</li> </ol>

**Table C-4: BLM-Colorado Controlled Surface Use Stipulations Applicable to Oil and Gas Leasing (Current Management)**

Type	Stipulation Number/Protected Resource	Stipulation Description
		<p>year, 6-hour storm event. Storage volumes within these structures would have a design life of 25 years;</p> <p>6. before reserve pits and production pits would be reclaimed, all residue would be removed and trucked off-site to an approved disposal site; and</p> <p>7. reclamation of disturbed surfaces would be initiated before November 1 of each year.</p> <p>All reclamation plans would be approved by the Authorized Officer in advance, and might require an increase in the bond.</p> <p><b>PURPOSE</b> -- To protect fragile soils. )Prior to surface disturbance of fragile soils, it must be demonstrated to the Authorized Officer, through a Plan of Development, that the performance objectives will be met.)</p>
CSU	CO-27 Steep Slopes	<p><b>STIPULATION</b> -- Surface occupancy or use is subject to the following special operating constraints:</p> <ol style="list-style-type: none"> <li>1. site productivity will be restored;</li> <li>2. surface runoff will be adequately controlled;</li> <li>3. off-site areas will be protected from accelerated erosion (such as drilling, gullyng, piping, and mass wasting);</li> <li>4. surface-disturbing activities will not be conducted during extended wet periods; and</li> <li>5. construction will not be allowed when soils are frozen.</li> </ol> <p><b>PURPOSE</b> -- To protect soils on surfaces greater than 40 percent slope. Prior to surface disturbance of steep slopes (greater than 40 percent) an engineering and reclamation plan must be approved by the Authorized Officer. Such plans must demonstrate how the following will be accomplished:</p> <ol style="list-style-type: none"> <li>1. site productivity will be restored;</li> <li>2. surface runoff will be adequately controlled;</li> <li>3. off-site areas will be protected from accelerated erosion (such as drilling, gullyng, piping, and mass wasting);</li> <li>4. surface disturbing activities will not be conducted during extended wet periods; and construction will not be allowed when soils are frozen.</li> </ol>

**Table C-4: BLM-Colorado Controlled Surface Use Stipulations Applicable to Oil and Gas Leasing (Current Management)**

Type	Stipulation Number/Protected Resource	Stipulation Description
<b>Vegetation</b>		
CSU	CO-28 Riparian or Wetland Vegetation	<p><b>STIPULATION</b> -- Surface occupancy or use is subject to special operating constraints.</p> <p><b>PURPOSE</b> -- To protect perennial water impoundments and streams, and/or riparian/wetland vegetation, by moving oil and gas exploration and development beyond the riparian vegetation zone.</p> <p><b>EXCEPTION</b> -- Exceptions may be granted only if an on-site impact analysis shows no degradation of the resource values.</p>
<b>Cultural Resources</b>		
CSU	CO-39 Cultural Resources	<p><b>STIPULATION</b> -- A lease may be found to contain historic properties and/or resources protected under the National Historic Preservation Act (NHPA), American Indian Religious Freedom Act (AIRFA), Native American Graves Protection and Repatriation Act (NAGPRA), EO13007, or other laws, rules, regulations, policies, standards, and guidelines. The BLM will not approve any ground-disturbing activities that may affect any such properties or resources until it completes its obligations under applicable requirements of the NHPA and other authorities. The BLM may require modification to exploration or development proposals in order to protect such properties, or disapprove any activity that is likely to result in adverse impacts that cannot be successfully avoided, minimized, or mitigated.</p> <p><b>PROTECTION</b> -- To protect cultural resources.</p>

**Table C-5: BLM-Colorado Timing Limitation Stipulations Applicable to Oil and Gas Leasing (Current Management)**

Type	Stipulation Number/Protected Resource	Stipulation Description
<b>Wildlife</b>		
TL	CO-09 Big Game Winter Habitat	<p><b>STIPULATION</b> -- No surface use is allowed during the following time period(s):</p> <ul style="list-style-type: none"> <li>December 1 through April 30</li> </ul> <p>(NOTE: This stipulation does not apply to operation and maintenance of production facilities.)</p> <p><b>PURPOSE</b> -- To protect big game (mule deer, elk, pronghorn antelope, and bighorn sheep) winter range, including crucial winter habitat and other definable winter range, as mapped by the Colorado Division of Wildlife (CDOW). This may apply to Sundry Notices that require an environmental analysis document.</p> <p><b>EXCEPTION</b> -- An exception may be granted under mild winter conditions for the last 60 days of the closure.</p>
TL	CO-10 Elk Calving Areas	<p><b>STIPULATION</b> -- No surface use is allowed during the following time period(s):</p> <ul style="list-style-type: none"> <li>April 16 through June 30</li> </ul> <p>(NOTE: This stipulation does not apply to operation and maintenance of production facilities.)</p> <p><b>PURPOSE</b> -- To protect elk calving.</p>
TL	CO-11 Antelope Fawning	<p><b>STIPULATION</b> -- No surface use is allowed during the following time period(s):</p> <ul style="list-style-type: none"> <li>May 1 through July 15</li> </ul> <p>(NOTE: This stipulation does not apply to operation and maintenance of production facilities.)</p> <p><b>PURPOSE</b> -- To protect pronghorn antelope fawning.</p>
TL	CO-12 Rocky Mountain Bighorn Sheep Lambing	<p><b>STIPULATION</b> -- No surface use is allowed during the following time period(s):</p> <ul style="list-style-type: none"> <li>May 1 through July 15</li> </ul> <p>(NOTE: This stipulation does not apply to operation and maintenance of production facilities.)</p> <p><b>PURPOSE</b> -- To protect Rocky Mountain bighorn sheep lambing.</p>
TL	CO-15 Grouse Winter	<p><b>STIPULATION</b> -- No surface use is allowed during the following time period(s):</p>

**Table C-5: BLM-Colorado Timing Limitation Stipulations Applicable to Oil and Gas Leasing (Current Management)**

Type	Stipulation Number/Protected Resource	Stipulation Description
	Habitat	<ul style="list-style-type: none"> <li>December 16 through March 15</li> </ul> <p>(NOTE: This stipulation does not apply to operation and maintenance of production facilities.)</p> <p><b>PURPOSE</b> -- To protect grouse (including sage- and mountain sharp-tailed grouse, and Lesser and Greater prairie chickens) crucial winter habitat.</p>
TL	CO-16 Greater Sandhill Crane Nesting and Staging Habitat	<p><b>STIPULATION</b> -- No surface use is allowed during the following time period(s):</p> <ul style="list-style-type: none"> <li>March 1 through October 16</li> </ul> <p>(NOTE: This stipulation does not apply to operation and maintenance of production facilities.)</p> <p><b>PURPOSE</b> -- To protect Greater Sandhill Crane nesting and staging habitat during usage.</p>
TL	CO-17 White Pelican Nesting and Feeding Habitat	<p><b>STIPULATION</b> -- No surface use is allowed during the following time period(s):</p> <ul style="list-style-type: none"> <li>March 16 through September 30</li> </ul> <p>(NOTE: This stipulation does not apply to operation and maintenance of production facilities.)</p> <p><b>PURPOSE</b> -- To protect white pelican nesting and feeding habitat during usage.</p>
TL	CO-18 Raptor Nesting and Fledgling Habitat	<p><b>STIPULATION</b> -- No surface use is allowed during the following time period(s):</p> <ul style="list-style-type: none"> <li>February 1 through August 15</li> </ul> <p>(NOTE: This stipulation does not apply to operation and maintenance of production facilities.)</p> <p><b>PURPOSE</b> -- To protect ferruginous hawk nesting and fledgling habitat during usage for a one-quarter mile buffer around the nest.</p> <p><b>EXCEPTION</b> -- Exceptions may be granted during years when a nest site is unoccupied, when occupancy ends by or after May 15, or once the young have fledged and dispersed from the nest.</p>
TL	CO-19 Ferruginous Hawk Nesting and Fledgling Habitat	<p>No surface use is allowed during the following time period(s):</p> <ul style="list-style-type: none"> <li>February 1 through August 15</li> </ul> <p>(NOTE: This stipulation does not apply to operation and maintenance of production facilities.)</p>



**Table C-5: BLM-Colorado Timing Limitation Stipulations Applicable to Oil and Gas Leasing (Current Management)**

Type	Stipulation Number/Protected Resource	Stipulation Description
		<p><b>PURPOSE:</b> To protect ferruginous hawk nesting and fledgling habitat during usage for one-quarter mile buffer around the nest.</p> <p><b>EXCEPTION --</b> Exceptions may be granted during years when a nest site is unoccupied, when occupancy ends by or after May 15, or once the young have fledged and dispersed from the nest.</p>
TL	CO-20 Osprey Nesting and Fledgling Habitat	<p><b>STIPULATION --</b> No surface use is allowed during the following time period(s):</p> <ul style="list-style-type: none"> <li>• April 1 through August 31</li> </ul> <p>(NOTE: This stipulation does not apply to operation and maintenance of production facilities.)</p> <p><b>PURPOSE --</b> To protect osprey nesting and fledgling habitat during usage for a one-half mile buffer around the nest.</p>
TL	CO-21 Mexican Spotted Owl Nesting and Fledgling Habitat	<p><b>STIPULATION --</b> No surface use is allowed during the following time period(s):</p> <ul style="list-style-type: none"> <li>• February 1 through July 31</li> </ul> <p>(NOTE: This stipulation does not apply to operation and maintenance of production facilities.)</p> <p><b>PURPOSE --</b> To protect Mexican spotted owl core habitat areas (that is, nesting and fledgling habitat) during usage.</p>
TL	CO-22 Bald Eagle Nesting Habitat	<p><b>STIPULATION --</b> No surface use is allowed during the following time period(s):</p> <ul style="list-style-type: none"> <li>• December 15 through June 15</li> </ul> <p>(NOTE: This stipulation does not apply to operation and maintenance of production facilities.)</p> <p><b>PURPOSE --</b> To protect bald eagle nesting habitat within a one-half mile buffer around the nest site</p> <p><b>EXCEPTION --</b> Exceptions may be granted during years when the nest site is unoccupied, when occupancy ends by or after May 15, or once the young have fledged and dispersed from the nest.</p>
TL	CO-23 Bald Eagle Winter Roost Sites	<p><b>STIPULATION --</b> No surface use is allowed during the following time period(s):</p> <ul style="list-style-type: none"> <li>• November 16 through April 15</li> </ul> <p>(NOTE: This stipulation does not apply to operation and maintenance of production facilities.)</p>

**Table C-5: BLM-Colorado Timing Limitation Stipulations Applicable to Oil and Gas Leasing (Current Management)**

Type	Stipulation Number/Protected Resource	Stipulation Description
		<p><b>PURPOSE</b> -- To protect bald eagle winter roost sites within a one-half mile buffer around the site.</p> <p><b>EXCEPTION</b> -- Exceptions may be granted for partial or complete visual screening of the oil and gas activity from the primary zone (that is, one-quarter mile around the roost site).</p>
TL	CO-24 Peregrine Falcon Cliff Nesting Complex	<p><b>STIPULATION</b> -- No surface use is allowed during the following time period(s):</p> <ul style="list-style-type: none"> <li>• November 16 through April 15</li> </ul> <p>(NOTE: This stipulation does not apply to operation and maintenance of production facilities.)</p> <p><b>PURPOSE</b> -- To protect bald eagle winter roost sites within a one-half mile buffer around the site.</p> <p><b>EXCEPTION</b> -- Exceptions may be granted for partial or complete visual screening of the oil and gas activity from the primary zone (that is, one-quarter mile around the roost site).</p>

**Table C-6: BLM-Colorado Lease Notices Applicable to Oil and Gas Leasing (Current Management)**

Type	Lease Notice Number/Protected Affected	Lease Notice Description
LN	CO-29 Paleontological Areas	An inventory of fossil resources in Class I and II paleontological areas must be performed by an accredited Paleontologist approved by the Authorized Officer.
LN	CO-30 Nesting Grouse Species	<p>In order to protect nesting grouse species, surface-disturbing activities proposed during the period between March 1 and June 30 will be relocated, consistent with lease rights granted and Section 6 of standard lease terms, out of grouse nesting habitat.</p> <p>[NOTE: Sage-grouse nesting habitat is described as sage stands with sagebrush plants between 30 centimeters and 100 centimeters in height, and a mean canopy cover between 15 and 40 percent.</p> <p>Greater prairie chicken nesting habitat is described as tall- to mid-grass communities with a mean height density index of 5.85 decimeters, with 11 percent bare ground and an average height of sandsage at 84 centimeters; grasses 111 centimeters; and forbs 83 centimeters. (Nesting occurs within an average distance of 2.4 km of a lek.)</p> <p>Lesser prairie chicken nesting habitat is described as short-mid-grass and sandsage communities with a mean height density index of 3.5 decimeters, with an average grass canopy coverage of 30 percent and 7 percent sandsage. The predominate plant associated with nesting cover is sandsage with an average height of 40 centimeters to 50 centimeters. (Nesting occurs within an average distance of 1.8 km, or .2 to 4.8 km of the lek site.)</p> <p>Sharptail grouse nesting habitat is described as mountain shrub communities with a density of shrub plants from 1,700 shrubs to 32,000 shrubs per hectare, and average shrub height of 30 centimeters. Nests are found primarily in shrub clumps where the shrubs are taller than average. (Nesting occurs within an average distance of 2 km of a lek.)</p>
LN	CO-31	Special biological and/or botanical inventory and

**Table C-6: BLM-Colorado Lease Notices Applicable to Oil and Gas Leasing (Current Management)**

Type	Lease Notice Number/Protected Affected	Lease Notice Description
	Sensitive Species Inventory and Mitigation	special mitigation measures designed to reduce impacts of surface disturbance to the sensitive plant or animal species may be required.
LN	CO-32 Drainage	<p>All, or part, of the lands contained in a lease are, or may be, subject to drainage by well(s) located adjacent to this lease. The lessee shall be required within 60 calendar days of lease issuance to submit to the Authorized Officer technical analyses (such as drainage calculations) of the adjacent well(s) and, as necessary, a corresponding plan for protecting the lease from drainage.</p> <p>The plan must include the amount of drainage from the production of the draining well(s), the amount of mineral resources that will be drained from this Federal lease during the life of the draining well(s), and whether a protective well(s) would be economic. If a protective well(s) would be economic, the plan must also identify the protective actions (such as establish a protective well, execute appropriate agreements) to be taken. Any actions may include obtaining a variance to State spacing for the area.</p> <p>In the absence of demonstrating the lack of drainage, acceptable actions for protecting the lease from drainage, or acceptable justification why a protective well would not be economic, the lessee shall be obligated to pay compensatory royalty to the Minerals Management Service (MMS) at a rate to be determined by the Authorized Officer. Compensatory royalty will be assessed beginning on the 1st day of the month following the earliest reasonable time it is determined that protective actions should have been taken. (Refer to 43 Code of Federal Regulations, Part 3100 and Part 3160, for more information on drainage requirements.)</p>
LN	CO-34 Endangered Species Act (ESA)	The lease area may now, or hereafter, contain plants, animals, or their habitats determined to be Threatened, Endangered, or other Special Status Species. The BLM may recommend modifications to exploration and development proposals in order to further its conservation and management objective to avoid BLM-

**Table C-6: BLM-Colorado Lease Notices Applicable to Oil and Gas Leasing (Current Management)**

Type	Lease Notice Number/Protected Affected	Lease Notice Description
		approved activity that will contribute to a need to list such a species or their habitat. The BLM may require modifications to (or disapprove) proposed activity that is likely to result in jeopardy to the continued existence of a Proposed or Listed Threatened or Endangered Species, or result in the destruction or adverse modification of a designated or proposed critical habitat. The BLM will not approve any ground-disturbing activity that may affect any such species or critical habitat until it completes its obligations under applicable requirements of the ESA, as amended, including completion of any required procedure for conference or consultation.
LN	CO-37 Visual Resource Management	The lessee is hereby notified that special design and construction measures may be required in order to minimize the visual impacts of drilling and producing operations. The overall goal of these measures would be to blend the disturbance with the natural landscape as much as possible in order to achieve a Visual Resource Management (VRM) Class II objective.
LN	CO-38 Biological Crust Cover	The lessee is hereby notified that Special design and construction measures may be required in order to minimize the impacts and drilling and producing operations on areas with biological crust cover (known by various names such as “cryptobiotic crust” or “microbiotic crust”). There are known occurrences of soils with biological crusts in the area.
LN	CO-40 High Value Sage Grouse Habitat	The lessee is hereby notified the lease contains Sage-Grouse habitat that has been designated as "high value" by the CDOW. The Operator may be required to implement specific measures designed to reduce impacts of oil and gas operations on the Sage-Grouse populations and habitat quality. Such measures shall be developed during the APD process and during the preparation of the required environmental analysis document; and will be consistent with the lease rights granted.
LN	CO-43 Sand and Gravel	EXISTING SAND AND GRAVEL PIT: There is a pre-existing operating gravel and gravel pit and the lessee is

**Table C-6: BLM-Colorado Lease Notices Applicable to Oil and Gas Leasing (Current Management)**

Type	Lease Notice Number/Protected Affected	Lease Notice Description
	Operations	hereby notified that the Operator may be required to implement specific measures designed to reduce impacts of oil and gas operations on sand and gravel pit operations. Such measures shall be developed in concert with the sand and gravel pit owner during the preparation of the environmental analysis document.
LN	CO-46 Existing Coal Leases	This lease is subject to valid existing rights to mine and extract the coal under the applicable Federal coal leases and the approval granted under those leases. The BLM will not approve any oil and gas operations that interfere with the coal mining within the Planning Area. The Mine Safety and Health Administration shall have jurisdiction over all safety issues related to coal mining, which may include coal mine methane (CMM) collection by the lessee.
LN	CO-48 Floodplain Management	The lessee is hereby notified that special location and design and construction mitigation measures may be required in order to minimize, to the extent possible, the potential long-term and short-term adverse impacts of oil and gas operations within the 100-year floodplain associated with occupancy and modification of the flood plain; and to avoid direct and indirect floodplain development wherever there is a practicable alternative. Under EO 11988 (Floodplain Management), the BLM is required to restore and preserve the natural and beneficial values served by floodplains for actions related to Federal activities and programs affecting land use.
LN	CO-50 Communitization	All, or part, of the lands contained in this lease are subject to drainage by well(s) located adjacent to, and contained within, designated and already developed spacing units associated with lands in, this lease. Within 60 days of lease issuance, the lessee shall be required to submit to the Authorized Officer plans for protecting the lease against drainage. This lease is also being issued with a NSO stipulation, and is of insufficient size to be independently developed; therefore, the plan must be specific to applications for communitization of this lease with other lands in the associated spacing units so

**Table C-6: BLM-Colorado Lease Notices Applicable to Oil and Gas Leasing (Current Management)**

Type	Lease Notice Number/Protected Affected	Lease Notice Description
		that proper allocation to this lease of the prorated shares of production from the wells in the spacing units can occur. Communitization agreements for each of the respective spacing units associated with the leased lands must be effective the date of spud of the well(s) in the spacing unit, and the proceeds attributable to the leased lands being managed and distributed in accordance with the terms of the communitization agreements. The communitization agreements are to be effected in accordance with Federal regulation, subject to Federal approval, and must be complete and submitted for approval within 1 year of lease issuance.
LN	CO-54 State Land Board	Please be aware that the State of Colorado Board of Land Commissioners manages the surface of this lease. Please contact the State Land Board prior to entry on lease
LN	CO-56	Due to potential air quality concerns, supplementary air quality analysis may be required for any proposed development of this lease. This may include preparing a comprehensive emissions inventory, performing air quality modeling, and initiating interagency consultation with affected land managers and air quality regulators to determine potential mitigation options for any predicted significant impacts from the proposed development. Potential mitigation may include limiting the time, place, and pace of any proposed development, as well as providing for the best air quality control technology and/or management practices necessary to achieve area-wide air resource protection objectives. Mitigation measures would be analyzed through the appropriate level of NEPA analysis to determine effectiveness, and will be required or implemented as a permit condition of approval (COA). At a minimum, all projects and permitted uses implemented under this lease will comply with all applicable National Ambient Air Quality Standards and ensure Air Quality Related Values are protected in nearby Class I or Sensitive Class II areas that are afforded additional air quality protection under the Clean Air Act (CAA).



